The reasons for better performance of Southern States could be attributed to presence of good Non-Government Organisations (NGOs) who are actively involved in promoting SHGs, active participation of banks in SHG-Bank Linkage programme of NABARD, the major role played by Government institutions in these States in promoting SHGs, etc.

(c) to (e) RBI and NABARD have been conducting studies relating to the status of SHGs from time to time. A study conducted by NABARD, covering 560 SHG member households revealed perceptible and wholesome changes in the living standards of the members in terms of ownership of assets, increase in savings and borrowing capacity, income generating activities and income levels. Some of the other major findings were improvement in the overall loan repayment, development in savings habit, increase in employment per household, need for improving backward and forward linkages, coordination among the Government agencies, etc. RBI has also advised public sector banks to popularize the participation of SHGs under SGSY throughout the country.

Introduction of interest-based derivatives in market

1303. SHRI GHULAM NABI AZAD: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government propose to introduce interest-based derivatives in the market;

(b) if so, whether the modalities for trading in interest-based securities have been finalised; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The Securities and Exchange Board of India (SEBI) has intimated that one of the recommendations of the Prof. J.R. Varma Committee on the development and regulation of derivatives markets in India was that the RBI and SEBI should work towards introducing interest-based derivatives trading on stock exchanges. RBI has informed that RBI constituted a Working Group on Rupee Derivatives, which also covered the issues

relating to exchange traded interest rate derivatives. The Group has submitted its report in January, 2003. RBI, SEBI and Government have initiated examination of the recommendations of the said group.

The report of the group on rupee derivatives had laid out the modalities for trading of interest rate derivatives products on stock exchanges on the lines of trading in equity derivative products.

Involvement of underworld in fake currency racket

†1304. SHRI BALKAVI BAIRAGI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether CBI got the sufficient proof regarding involvement of underworld in the racket of fake currency notes in India;

(b) if so, whether it is also a fact that many criminal gangs operating from Pakistan, United Arab Emirates, Camaroon and Somalia are actively involved in this racket; and

(c) the action taken by Government in this regard alongwith complete details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Information is being collected and will be laid on the table of the House.

Rationalisation of Tax Laws

1305. SHRIMATI VANGA GEETHA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the PHD Chamber of Commerce and Industry (PHD CCI) has urged to make tax laws simple, fair, rational and equitable to promote overall economic growth; and

(b) if so, the changes sought for by them and Government's reaction thereto, especially in respect of direct and indirect taxes?

†Original notice of the question was received in Hindi.